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THE HON. SRI C. SUBRAMANIAM :—" As a matter of fact, I have found these magazines in many of the libraries. But certain Library Authorities have taken a different view and this happened long ago. I am sure they would have revised their views and, perhaps, they have now admitted the magazines."

SRI M. NARAYANA KURUP :—" In view of the improved relationship and cordiality between this State and the Soviet Union, will the Government now instruct the Local Library Authorities not to apply this rule as was done before?"

THE HON. SRI C. SUBRAMANIAM :—" I have already answered this question. There is no question of improvement. We have always been in cordial relationship with the Soviet Union."

South Arcot Electricity Distribution Company

* 984 *Q.*—SRI V. GOPALA GOUNDER : Will the Hon. the Minister for Public Works be pleased to state—

(*a*) the rates charged by the South Arcot Electricity Distribution Company, South Arcot, for the supply of electricity to—

(i) house-hold consumption;

(ii) industrial consumption; and

(iii) irrigation;

(*b*) the rates charged by the Government Electricity Department for the supply of electricity for the purposes mentioned above in the same district where this Company has no jurisdiction; and

(*c*) whether the Government propose to take over the South Arcot Electricity Distribution Company, South Arcot?

THE HON. SRI R. SHANMUGA RAJESWARA SETHUPATHI :—" (*a*) & (*b*) The particulars are furnished in the statement [a] placed on the table of the House.

" (*c*) The drawing up of a programme of acquisition of the electrical undertakings in the State under the Madras Electricity Undertakings (Acquisition) Act, 1954, which came into force from 13th October 1954, is under consideration."

SRI V. GOPALA GOUNDER :—" From the answer of the Hon. Minister, it is seen that Re. 0-5-9 is charged per unit by the South Arcot Electricity Distribution Company, Limited, and Re. 0-4-0 is charged per unit by Government. May I know from the Hon. Minister who are auditing the accounts of this company and whether the company have obtained the approval of the Government for charging such a high rate?"

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[a] Printed as Appendix II on pages 237–239 infra

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The Hon. Sri R. SHANMUGA RAJESWARA SETHUPATHI :—" Licensees are permitted to fix their own tariffs so that they may earn a profit. The Government do not sell current for profit. That is the difference between a private undertaking and the Government."

Sri M. KALYANASUNDARAM :—" கனம் சபாநாயகர் அவர்களே, அவர்களுக்கு லாபம் இல்லை என்று சர்க்கார் சொல்வது சரியல்ல. அவர்களுடைய வரவு செலவு கணக்கைப் பார்த்தால் அவர்களுக்கு லாபம் கிடைத்திருக்கிறது என்பது நன்கு தெரியும். ஆனால் தனிப்பட்ட முறையில் நடத்தும் கம்பெனிகள் லாபத்தை எதிர்பார்ப்பதை யாரும் ஆட்சேபிக்க முடியாது. அவர்கள் யூனிட் நாலணாவிற்கு வாங்கி $1\frac{3}{4}$ அணா அதிகப்படியாக வைத்து வினியோகம் செய்கிறார்கள். அதனால் அவர்களுக்கு லாபம் இல்லை என்று சொல்லமுடியாது. அதனால் அவர்கள் கொள்ளை லாபம் அடிப்பதாகத்தான் தெரிகிறது. அதனால் அவர்களுக்குக் கொடுக்கப் பட்டிருக்கும லைசென்ஸை ரத்து செய்துவிட்டு சர்க்காரே அதை எடுத்துக் கொள்ள யோசனை செய்வார்களா ? "

The Hon. Sri R. SHANMUGA RAJESWARA SETHUPATHI :—" There is the proposal to acquire all these undertakings. Under certain rules within the Act, they are permitted to levy the tariff and there is nothing to prevent them from levying this rate. The only thing is we have to acquire them. The question of acquisition is under examination."

Sri S. RAMALINGAM :—" உயர்ந்த பட்சம் ஒரு யூனிட்டுக்கு நான்கணாவுக்கு மேல் வசூலிக்ககூடாதென்று ஒரு நிபந்தனை போட்டுவிட சர்க்கார் முன்வருவார்களா ? "

The Hon. Sri R. SHANMUGA RAJESWARA SETHUPATHI :—" There is a Central Act, namely, the Indian Electricity Act, under which they are acting."

Sri K. VINAYAKAM :—" Is the Hon. Minister aware of the fact that this levy as it exists is exorbitant when compared with that levied by the Government, namely, As. 4 per unit? Will the Government take action to fix a ceiling? "

The Hon. Sri R. SHANMUGA RAJESWARA SETHUPATHI :—" Sir, they are permitted to have a certain margin of profit and we cannot do anything."

Sri V. GOPALA GOUNDER :—" Now, it is said that the company have made representations to increase the rate to yield a reasonable return on their capital investment. There is already an increase by 30 per cent. Will the Government consider this aspect? "

The Hon. Sri R. SHANMUGA RAJESWARA SETHUPATHI :—" I don't think Government can do anything. They are acting under the Central Act and they are permitted to levy this. In fact, for the information of the hon. Members, I may say that they are even contemplating to raise it by another 10 per cent."

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Sri M. KALYANASUNDARAM :—" கனம் மந்திரி அவர்களுடைய முதல் விளக்கமும், இப்பொழுது சொன்ன பதிலும் எனக்கு திகைப்பையே உண்டாக்குகிறது. மின்சாரத்தை வினியோகிக்கும் கம்பெனிகள் அதிக முதலீடு போடுவது கிடையாது, சர்க்கார் மின்சாரத்தை உற்பத்தி செய்து அவர்களுக்கு மிக மலிவாகவே கொடுக்கிறார்கள். ஆகவே, அவர்களுக்கு லைசென்ஸ் வழங்கும்போதே, சர்க்கார் என்ன விலைக்குக் கொடுத்தார்களோ அதைவிட அதிகமாக இன்ன விலைக்குத்தான் விற்கவேண்டுமென்று நிபந்தனை விதிக்க சர்க்கார் முன்வருமா என்றுதான் கேட்கிறேன்."

The Hon. Sri R. SHANMUGA RAJESWARA SETHUPATHI :—" No, Sir. It costs them a great deal for putting up lines and all that to give rural connexion. In urban areas, short lines will do for so many connexions. They have to give connexions for agricultural purposes, etc., and they have to look up to their return."

Sri M. NARAYANA KURUP :—" It may be that a company may have the right to charge a certain rate, but it is not obligatory on them to charge that rate. In considering the proposal for acquisition, will the Government consider the acquisition of such of those undertakings as charge the highest rate and take them up first? "

The Hon. Sri R. SHANMUGA RAJESWARA SETHUPATHI :—" We have laid down the principle that where the working of a company is inefficient and not serving the public, they are to be acquired. The hon. Member suggests that rate should be the basis. It will be very difficult to start like that. Of course, all of them will have to be acquired in due course."

Sri K. VINAYAKAM :—" Sir, the Hon. Minister was pleased to say that the levy of this charge on electricity is controlled by the Central Act. What is the exact relevant provision of the Central Act which provides that they can levy any amount of rate they pleased? "

The Hon. Sri R. SHANMUGA RAJESWARA SETHUPATHI :—" It is not a question of any levy. The licensees can under clause 1 to the Sixth Schedule to the Electricity Supply Act levy a tax per unit. Even during the current year, some deficit was expected and they have to meet that deficit under the present rate itself and, therefore, they have asked for a 10 per cent increase."

Sri V. GOPALA GOUNDER :—" Sir, in addition to the increased rate, a surcharge of 10 per cent is charged from 1954. But the circumstances then prevailing justified the surcharge. In view of the fact that those circumstances do not exist now, may I know whether there is any justification for this surcharge now and whether Government have received any representation from the Cuddalore Electricity Consumers' Association with regard to these matters and what reply was given to them? "

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THE HON. SRI R. SHANMUGA RAJESWARA SETHUPATHI :—" The company appraised the Government of deficit and that is why after the meter reading in November 1954, they were permitted to levy a surcharge of 10 per cent."

SRI M. KALYANASUNDARAM :—" கனம் மந்திரி அவர்கள் சொல்லக்கூடிய பதில் சரியல்ல. இந்தக் கம்பெனிகளை லாபகரமாக இல்லையென்று கருதினால் பஞ்சாயத்து போர்டுகளோ, ஜில்லா போர்டுகளோ எடுத்து கொள்வதற்கு முன் வந்திருக்காது. லாபகரமாக இருக்கிறதினால்தான் அவர்கள் அதனை எற்று நடத்த முன்வருகிறார்கள். அப்படியிருக்கும்பொழுது சர்க்கார் என்ன ரேட்டுக்குக் கொடுக்கிறார்களோ அதைவிட அதிகமாக இந்த ரேட்டுக்குத்தான் விற்கவேண்டுமென்று என் நிபந்தனை போடக்கூடாது ? அதோடு மின்சார வினியோகக் கம்பெனிகளுக்கு யூனிட் என்ன விலைக்கு மின்சாரத்தை விற்கிறார்கள் என்றும் அறியவிரும்புகிறேன்."

THE HON. SRI R. SHANMUGA RAJESWARA SETHUPATHI :—" I have no information on hand about the rate at which we supply to this company. I can furnish that information if a separate question is put. In their representation, they say they are meeting with a deficit. The whole thing depends on that."

Agricultural Research Station, Pattambi

* 985 *Q.*—SRI K. C. GOPALAN UNNI : Will the Hon. the Minister for Agriculture be pleased to state—

(*a*) whether the Government have received any request from the agriculturists of Nethirimangalam, Malabar, to take water through the Agricultural Research Station, Pattambi; and

(*b*) if so, the action taken on their request?

THE HON. SRI M. BHAKTAVATSALAM :—" (*a*) The Government received copies of the representations made by the agriculturists of Nethirimangalam to the Collector of Malabar and the Director of Agriculture.

" (*b*) The request was not complied with as it could not be done without serious detriment to the crops in the Agricultural Research Station, Pattambi."

SRI K. C. GOPALAN UNNI :—" Sir, there is a tank outside this Agricultural Research Station and there is already a channel inside the station. The ryots want the permission of the Government only to take water through the channel. I do not know what risk is involved in that. Will the Government reconsider their decision? "

THE HON. SRI M. BHAKTAVATSALAM :—" Sir, there is shortage of water in that tank and the requirements of the Research Station must be first met. If water is permitted to be drawn for outside fields, then the station will have to go with less water. Therefore it is, that the Research Station refused to permit water being drawn for private fields."